

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2003

ANSWERED ON:05.08.2005

SFIO PROBE

Hasan Chaudhary Munawwar;Mehta Shri Alok Kumar;Mehta Shri Bhubneshwar Prasad;Muqueem Shri Mohammed

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether attention of the Government has been drawn to ` Investors seek SFIO probe into Asian Consolidated Scam` as reported in the `Indian Express` dated the June 2, 2005;
- (b) if so, the facts of the matter reported therein;
- (c) the nature of investigation carried out by Serious Fraud Investigation Office (SFIO);
- (d) the number of cases referred to SFIO during the last two years;
- (e) the outcome of these investigation;
- (f) whether the Mumbai High Court has removed the interim stay on the probe of 14 corporate groups associated with Ketan Parekh;
- (g) if so, the details thereof alongwith the name of the companies;
- (h) whether SFIO is also conducting investigation of Ketan Parekh Group; and
- (i) if so, the details thereof?

Answer

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) Yes, Sir.

(b) In the news item mentioned above, it was reported that one Midas Touch Investors Association, Kanpur had alleged that Asian Consolidated Industries Limited made a public- cum-rights issue of Rs. 115.47 Crore for setting up a project for manufacturing beer/soft drink cans but did not set up the project and after seven years of the public-cum-rights issue, went into liquidation proceedings.

(c) The company, M/s Asian Consolidated has gone into liquidation with effect from 16.10.1997. The investigation of the affairs of the company was not entrusted to an officer drawn from the SFIO.

(d) & (e) During the last two years, the Ministry of Company Affairs has referred 29 cases for investigation by inspectors drawn from the SFIO. Of these, investigation in respect of five cases has been completed. Based on the investigation reports, prosecution is filed in appropriate Courts.

(f) & (g) The Mumbai High Court has vacated interim stay in respect of 16 Ketan Parekh Group of Companies as per details enclosed at Annex-I.

(h) & (i) Investigation of 16 Ketan Parekh Group of Companies is being carried out by inspectors drawn from SFIO. The investigation reports from SFIO are awaited.

Annex- I

Annexure-I as referred in part (f) & (g) of Lok Sabha Unstarred Question No. 2003 for reply on 5.8.2005 regarding SFIO Probe

The list of Ketan Parekh Group Companies in respect of whom the Mumbai High Court has vacated the interim stay order for investigation:-

1. M/s NH Securities Ltd

2. M/s Triumph International Finance Ltd

3. M/s KNP Securities Pvt Ltd
4. M/s VN Parekh Securities Pvt. Ltd
5. M/s Panther Investrade Ltd
6. M/s Panther Fincap and Management Services Ltd.
- 7 M/s Saimangal Investrade Ltd.
8. M/s Panther Industrial Products Ltd.
9. M/s Goldfish Computer Pvt. Ltd
10. M/s Nakshatra Software Pvt Ltd
11. M/s Chitrakoot Computers Pvt Ltd
12. M/s Luminant Investment Pvt. Ltd
13. M/s Triumph Securities Pvt. Ltd.
14. M/s Classic Credit Ltd.
15. M/s Classic Shares & Stock Broking Services Ltd.
16. M/s Manmandir Estate Development Pvt. Ltd.